

**UNITED STATES BANKRUPTCY COURT FOR
THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE:)
) Case No.: 19-26358
GENESIS 1, LLC,¹) Chapter 7
)
) (Jointly Administered)
Debtor.)
) Hon. LaShonda A. Hunt (Joliet)
)
) **Hearing Date: January 24, 2020**
) **Hearing Time: 9:15 A.M.**

NOTICE OF MOTION

PLEASE TAKE NOTICE that, on Friday, January 24, 2020, at 9:15 a.m., or as soon thereafter as counsel may be heard, the undersigned shall appear before the Honorable LaShonda A. Hunt, or such other judge as may be sitting in her place, at Joliet City Hall, 150 West Jefferson Street, 2nd Floor, Joliet, IL 60432 and shall present the attached **Trustee's Second Motion To Extend Time to Object to Discharge**, a copy of which is hereby served upon you.

NOTE THAT THE PROPOSED ORDER APPENDED TO THIS MOTION MAY BE ENTERED BY THE JUDGE WITHOUT PRESENTMENT IN OPEN COURT UNLESS A PARTY IN INTEREST NOTIFIES THE JUDGE OF AN OBJECTION THERETO PURSUANT TO LOCAL RULE 9013-9(C).

Dated: January 21, 2020

Respectfully submitted,

**ZANE ZIELINSKI, NOT INDIVIDUALLY BUT
AS CHAPTER 7 TRUSTEE OF THE
BANKRUPTCY ESTATE OF RONALD A.
PLONIS**

By: /s/ Reed Heiligman
(One of his Attorneys)

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¹ The Debtors in these jointly administered cases are: Genesis 1, LLC, Case No. 19-26358; Ronald A. Plonis, Case No. 19-20761; and Chad E. Cutshall, Case No. 19-20754.

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) Hon. LaShonda A. Hunt (Joliet)
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_____)

**TRUSTEE’S SECOND MOTION TO
EXTEND TIME TO OBJECT TO DISCHARGE**

Zane L. Zielinski (the “Trustee”), not individually but as the Chapter 7 trustee of the bankruptcy estate of Ronald A. Plonis (the “Debtor”), by his attorneys Hiltz Zanzig & Heiligman LLC, respectfully requests entry of an order, pursuant to 11 U.S.C. § 727(c)(1) and Bankruptcy Rule 4004(b), granting an extension of time for the Trustee to object to the Debtor’s discharge in this chapter 7 case. In support of this motion, the Trustee states as follows:

PREFATORY STATEMENT

1. **At his September 5, 2019 section 341 meeting of creditors, Mr. Plonis refused to testify regarding his assets, including any of his business interests, asserting his privilege under the 5th Amendment of the United States Constitution.**

2. Although the Trustee previously sought and obtained an extension of time by which to object to discharge, in light of the circumstances of this case, the Trustee seeks additional time to investigate whether there may be a basis to object to the Debtor’s discharge pursuant to 11 U.S.C. § 727(a) and an extension of time to do so through April 27, 2020.

¹ The Debtors in these jointly administered cases are: Genesis 1, LLC, Case No. 19-26358; Ronald A. Plonis, Case No. 19-20761; and Chad E. Cutshall, Case No. 19-20754.

JURISDICTION

3. The Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. Consideration of this motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (J).

4. The statutory basis for the relief sought in this motion is 11 U.S.C. § 727(c)(1) and Bankruptcy Rule 4004(b).

BACKGROUND

5. As of his July 24, 2019 bankruptcy filing (the “Petition Date”), the Debtor, along with Chad Cutshall, who also commenced a voluntary chapter 7 filing on July 24, 2019, owned a 50% membership interest in Genesis 1, LLC (“Genesis”). Prior to the Petition Date, Genesis owned approximately 70 parcels of residential real estate in the Chicagoland area (the “Genesis Portfolio”). Each property in the Genesis Portfolio is encumbered by first mortgages in favor of approximately ten banks.

6. Notwithstanding these encumbrances, the Debtor, through Genesis, caused much of the Genesis Portfolio to be transferred or sold to Growth Equity Group, LLC. The Trustee is informed and believes that Growth Equity Group, LLC then marketed and sold the Genesis Portfolio to investors (the “Retirement Account Investors”) as turn-key residential rental investment properties.

7. The Retirement Account Investors used retirement funds to make down payments on the purchases. In each of these transactions, Genesis acted as the lender, taking secondary paper from the Retirement Account Investors.

8. At his 341 meeting, the Debtor refused to testify regarding his assets, including any of his business interests, asserting his privilege under the 5th Amendment of the United States Constitution.

9. On October 4, 2019, the Trustee filed his motion seeking an extension of time to object to Mr. Plonis' discharge through and including April 27, 2020. At the hearing on the Trustee's motion, Debtor's counsel objected to the April 27, 2020 deadline, and the Court entered an order extending the Trustee's deadline to object to Mr. Plonis' discharge through and including February 1, 2020.

RELIEF REQUESTED

10. The Trustee requires additional time to investigate whether there may be a basis to object to the Debtor's discharge pursuant to 11 U.S.C. § 727(a). Since the filing of the Trustee's first motion seeking an extension of time, the Trustee and his counsel have devoted substantial amounts of time to administering the Genesis estate, including selling certain of the Genesis Portfolio properties, negotiating with the senior lenders and Retirement Account Investors to resolve the Genesis Notes in accordance with the Trustee's settlement procedures [*See* Dkt. Nos. 65 and 77].

11. Accordingly, the Trustee requests additional time to investigate whether there may be a basis to object to the Debtor's discharge pursuant to 11 U.S.C. § 727(a) and an extension of time to do so through April 27, 2020.

WHEREFORE, Zane L. Zielinski, not individually, but as Chapter 7 trustee of Ronald A. Plonis, respectfully requests that the Court enter an Order, pursuant to 11 U.S.C. § 727(c)(1) and Bankruptcy Rule 4004(b), extending the deadline to object to the Debtor's discharge to April 27, 2020, and further relief as this Court deems just.

Dated: January 21, 2020

Respectfully submitted,

**ZANE ZIELINSKI, NOT INDIVIDUALLY BUT
AS CHAPTER 7 TRUSTEE OF THE
BANKRUPTCY ESTATE OF RONALD A.
PLONIS**

By: /s/ Reed Heiligman
(One of his Attorneys)

Reed Heiligman (No. 6294312)
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CERTIFICATE OF SERVICE

I, Reed Heiligman, an attorney, hereby certify that, on January 21, 2020, I caused a true and correct copy of the foregoing **Notice of Motion** and **Trustee's Second Motion for an Extension of Time to Object to Discharge** to be served on the following via the indicated means:

VIA CM/ECF:

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/s/ Reed Heiligman _____